



# House of Representatives

**File No. 588**

General Assembly

February Session, 2022

**(Reprint of File No. 203)**

Substitute House Bill No. 5331  
As Amended by House Amendment  
Schedule "A"

Approved by the Legislative Commissioner  
April 22, 2022

**AN ACT CONCERNING THE LIQUOR CONTROL ACT AND RELATED STATUTES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) (a) For the purposes of this  
2 section:

3 (1) "Eligible manufacturer" means the holder of a manufacturer  
4 permit for (A) spirits issued under subsection (a) of section 30-16 of the  
5 general statutes, (B) beer issued under subsection (b) of section 30-16 of  
6 the general statutes, as amended by this act, (C) a farm winery issued  
7 under subsection (c) of section 30-16 of the general statutes, or (D) wine,  
8 cider and mead issued under subsection (d) of section 30-16 of the  
9 general statutes; and

10 (2) "Festival sponsor" means an entity operating on a nonprofit basis  
11 in this state, including, but not limited to, (A) an association, or a  
12 subsidiary of an association, that promotes manufacturing and selling

13 alcoholic liquor in this state, (B) a civic organization operating in this  
14 state, and (C) a municipality in this state.

15 (b) A festival permit shall allow a festival sponsor to organize and  
16 sponsor a festival in this state in accordance with the provisions of this  
17 section by inviting eligible manufacturers to participate in such festival.  
18 Each festival permit issued by the Commissioner of Consumer  
19 Protection under this section shall be effective for not more than four  
20 consecutive days, and shall allow the festival sponsor to hold the festival  
21 on the days and times permitted under subsection (j) of section 30-91 of  
22 the general statutes, as amended by this act. The fee for each festival  
23 permit shall be seventy-five dollars.

24 (c) The commissioner shall not issue a festival permit under this  
25 section unless the festival sponsor has received all approvals required  
26 under local fire and zoning regulations.

27 (d) The festival sponsor shall disclose to each person who purchases  
28 admission to the festival, at the time such person purchases such  
29 admission, any and all restrictions or limitations of such admission,  
30 including, but not limited to, the maximum number of glasses or other  
31 receptacles suitable to permit the consumption of alcoholic liquor such  
32 person is entitled to receive by virtue of purchasing such admission.

33 (e) Any municipality may, by ordinance or zoning regulation,  
34 prohibit festivals in such municipality.

35 (f) Any eligible manufacturer may participate in a festival organized  
36 and sponsored by a festival sponsor that invites such eligible  
37 manufacturer to participate in such festival.

38 (g) Each participating eligible manufacturer may, during the festival  
39 and for the alcoholic liquor such participating eligible manufacturer has  
40 manufactured:

41 (1) Offer to festival visitors free or paid samples or tastings of  
42 alcoholic liquor for consumption on the festival premises, in accordance

43 with the provisions of section 30-16 of the general statutes, as amended  
44 by this act; and

45 (2) Unless such participating eligible manufacturer is the holder of an  
46 out-of-state shipper's permit for beer issued under section 30-19 of the  
47 general statutes:

48 (A) Sell and directly ship to festival visitors, if allowed under section  
49 30-16 of the general statutes, as amended by this act, alcoholic liquor  
50 that such participating eligible manufacturer sells to festival visitors at  
51 such festival;

52 (B) Sell, at retail, for consumption off the festival premises and in  
53 accordance with the provisions of section 30-16 of the general statutes,  
54 as amended by this act, bottles and other sealed containers of alcoholic  
55 liquor; and

56 (C) Sell, at retail, alcoholic liquor by the glass or receptacle for  
57 consumption on the festival premises, provided each such glass or  
58 receptacle is embossed or otherwise permanently labeled with the name  
59 and date of the festival.

60 (h) No participating eligible manufacturer may give, offer or sell to  
61 any person or entity any alcoholic liquor that such participating eligible  
62 manufacturer has not manufactured.

63 (i) A municipality may, by ordinance or zoning regulation, require  
64 festival sponsors to ensure that:

65 (1) Restrooms, or enclosed portable toilets, are available either on or  
66 near the festival premises; and

67 (2) Food is available to festival visitors for consumption on the  
68 festival premises during all operating hours, provided no such  
69 ordinance or zoning regulation shall require that food be purchased  
70 with an alcoholic beverage.

71 (j) Festival sponsors shall be exempt from the requirements to affix

72 and maintain a placard, as provided in subdivision (3) of subsection (b)  
73 of section 30-39 of the general statutes, as amended by this act. The  
74 provisions of subsection (c) of section 30-39 of the general statutes, as  
75 amended by this act, shall not apply to festival permits.

76 Sec. 2. Subsections (b) and (c) of section 30-39 of the 2022 supplement  
77 to the general statutes are repealed and the following is substituted in  
78 lieu thereof (*Effective from passage*):

79 (b) (1) Any person desiring a liquor permit or a renewal of such a  
80 permit shall make an affirmed application therefor to the Department of  
81 Consumer Protection upon forms to be furnished by the department,  
82 showing the name and address of the applicant and of the applicant's  
83 backer, if any, the location of the club or place of business which is to be  
84 operated under such permit and a financial statement setting forth all  
85 elements and details of any business transactions connected with the  
86 application. Such application shall include a detailed description of the  
87 type of live entertainment that is to be provided. A club or place of  
88 business shall be exempt from providing such detailed description if the  
89 club or place of business (A) was issued a liquor permit prior to October  
90 1, 1993, and (B) has not altered the type of entertainment provided. The  
91 application shall also indicate any crimes of which the applicant or the  
92 applicant's backer may have been convicted. Applicants shall submit  
93 documents sufficient to establish that state and local building, fire and  
94 zoning requirements and local ordinances concerning hours and days  
95 of sale will be met, except that local building and zoning requirements  
96 and local ordinances concerning hours and days of sale shall not apply  
97 to a cafe permit issued [pursuant to] under subsection (d) of section 30-  
98 22a. The State Fire Marshal or the marshal's certified designee shall be  
99 responsible for approving compliance with the State Fire Code at  
100 Bradley International Airport. Any person desiring a permit provided  
101 for in section 30-33b shall file a copy of such person's license with such  
102 application if such license was issued by the Department of Consumer  
103 Protection. The department may, at its discretion, conduct an  
104 investigation to determine whether a permit shall be issued to an  
105 applicant.

106 (2) The applicant shall pay to the department a nonrefundable  
107 application fee, which fee shall be in addition to the fees prescribed in  
108 this chapter for the permit sought. An application fee shall not be  
109 charged for an application to renew a permit. The application fee shall  
110 be in the amount of ten dollars for the filing of each application for a  
111 permit by a charitable organization under section 30-37b, including a  
112 nonprofit public television corporation under section 30-37d, a  
113 nonprofit golf tournament permit under section 30-37g, a temporary  
114 permit under section 30-35 or a special club permit [; and for all other  
115 permits] under section 30-25; and in the amount of one hundred dollars  
116 for the filing of an initial application for all other permits. Any permit  
117 issued shall be valid only for the purposes and activities described in  
118 the application.

119 (3) The applicant, immediately after filing an application, shall give  
120 notice thereof, with the name and residence of the permittee, the type of  
121 permit applied for and the location of the place of business for which  
122 such permit is to be issued and the type of live entertainment to be  
123 provided, all in a form prescribed by the department, by publishing the  
124 same in a newspaper having a circulation in the town in which the place  
125 of business to be operated under such permit is to be located, at least  
126 once a week for two successive weeks, the first publication to be not  
127 more than seven days after the filing date of the application and the last  
128 publication not more than fourteen days after the filing date of the  
129 application. The applicant shall affix, and maintain in a legible condition  
130 upon the outer door of the building wherein such place of business is to  
131 be located and clearly visible from the public highway, the placard  
132 provided by the department, not later than the day following the receipt  
133 of the placard by the applicant. If such outer door of such premises is so  
134 far from the public highway that such placard is not clearly visible as  
135 provided, the department shall direct a suitable method to notify the  
136 public of such application. When an application is filed for any type of  
137 permit for a building that has not been constructed, such applicant shall  
138 erect and maintain in a legible condition a sign not less than six feet by  
139 four feet upon the site where such place of business is to be located,

140 instead of such placard upon the outer door of the building. The sign  
141 shall set forth the type of permit applied for and the name of the  
142 proposed permittee, shall be clearly visible from the public highway and  
143 shall be so erected not later than the day following the receipt of the  
144 placard. Such applicant shall make a return to the department, under  
145 oath, of compliance with the foregoing requirements, in such form as  
146 the department may determine, but the department may require any  
147 additional proof of such compliance. Upon receipt of evidence of such  
148 compliance, the department may hold a hearing as to the suitability of  
149 the proposed location. The provisions of this subdivision shall not apply  
150 to applications for (A) airline permits issued under section 30-28a, (B)  
151 charitable organization permits issued under section 30-37b, (C)  
152 temporary permits issued under section 30-35, (D) special club permits  
153 issued under section 30-25, (E) concession permits issued under section  
154 30-33, (F) military permits issued under section 30-34, (G) cafe permits  
155 issued [pursuant to] under subsection (j) or (k) of section 30-22a, (H)  
156 warehouse permits issued under section 30-32, (I) [brokers'] broker's  
157 permits issued under section 30-30, (J) out-of-state [shippers'] shipper's  
158 permits for alcoholic liquor [and] issued under section 30-18, (K) out-of-  
159 state [shippers'] shipper's permits for beer [, (K)] issued under section  
160 30-19, (L) coliseum permits [, (L)] issued under section 30-33a, (M)  
161 nonprofit golf tournament permits [, (M)] issued under section 30-37g,  
162 (N) nonprofit public television corporation permits [, (N)] issued under  
163 section 30-37d, (O) Connecticut craft cafe permits [by] issued under  
164 section 30-22d, as amended by this act, to permittees who held a  
165 manufacturer permit for a brew pub or a manufacturer permit for [a]  
166 beer issued under subsection (b) of section 30-16, as amended by this  
167 act, and a brew pub [prior to] before July 1, 2020, [and (O) renewals] (P)  
168 festival permits issued under section 1 of this act, and (Q) renewals of  
169 any [such permits] permit described in subparagraphs (A) to (P),  
170 inclusive, of this subdivision, if applicable. The provisions of this  
171 subdivision regarding publication and placard display shall also be  
172 required of any applicant who seeks to amend the type of entertainment  
173 either upon filing of a renewal application or upon requesting  
174 permission of the department in a form that requires the approval of the

175 municipal zoning official.

176 (4) In any case in which a permit has been issued to a partnership, if  
177 one or more of the partners dies or retires, the remaining partner or  
178 partners need not file a new application for the unexpired portion of the  
179 current permit, and no additional fee for such unexpired portion shall  
180 be required. Notice of any such change shall be given to the department  
181 and the permit shall be endorsed to show correct ownership. When any  
182 partnership changes by reason of the addition of one or more persons, a  
183 new application with new fees shall be required.

184 (c) Any ten persons who are at least eighteen years of age, and are  
185 residents of the town within which the business for which the permit or  
186 renewal thereof has been applied for, is intended to be operated, or, in  
187 the case of a manufacturer's or a wholesaler's permit, any ten persons  
188 who are at least eighteen years of age and are residents of the state, may  
189 file with the department, within three weeks from the last date of  
190 publication of notice made pursuant to subdivision (3) of subsection (b)  
191 of this section for an initial permit, and in the case of renewal of an  
192 existing permit, at least twenty-one days before the renewal date of such  
193 permit, a remonstrance containing any objection to the suitability of  
194 such applicant or proposed place of business, provided any such issue  
195 is not controlled by local zoning. Upon the filing of such remonstrance,  
196 the department, upon written application, shall hold a hearing and shall  
197 give such notice as it deems reasonable of the time and place at least five  
198 days before such hearing is had. The remonstrants shall designate one  
199 or more agents for service, who shall serve as the recipient or recipients  
200 of all notices issued by the department. At any time prior to the issuance  
201 of a decision by the department, a remonstrance may be withdrawn by  
202 the remonstrants or by such agent or agents acting on behalf of such  
203 remonstrants and the department may cancel the hearing or withdraw  
204 the case. The decision of the department on such application shall be  
205 final with respect to the remonstrance. The provisions of this subsection  
206 shall not apply to festival permits issued under section 1 of this act.

207 Sec. 3. Section 30-43a of the general statutes is repealed and the

208 following is substituted in lieu thereof (*Effective from passage*):

209 The holder of a permit issued prior to July 1, 2020, [pursuant to]  
210 under section 30-16, as amended by this act, 30-16a, 30-19f, 30-20a, 30-  
211 21, 30-22, 30-22a, 30-23, 30-24a, 30-26, 30-28, 30-29, 30-33a, 30-33b, 30-  
212 33c, 30-37c, 30-37j, [30-37l,] 30-37o, 30-37p, 30-37q or 30-37r, as amended  
213 or repealed by public act 19-24, may continue to hold such permit until  
214 such permit becomes due for renewal or until such time as a  
215 replacement permit becomes available for such permit holder to obtain.

216 Sec. 4. Subsection (a) of section 30-48 of the 2022 supplement to the  
217 general statutes is repealed and the following is substituted in lieu  
218 thereof (*Effective from passage*):

219 (a) No backer or permittee of one permit class shall be a backer or  
220 permittee of any other permit class except in the case of cafe permits  
221 issued [pursuant to] under subsection (d), (j) or (k) of section 30-22a and  
222 except that: (1) A backer of a hotel permit issued under section 30-21 or  
223 a restaurant permit issued under section 30-22 may be a backer of both  
224 such classes; (2) a holder or backer of a restaurant permit issued under  
225 section 30-22 or a cafe permit issued [pursuant to] under subsection (a)  
226 of section 30-22a may be a holder or backer of any other or all of such  
227 classes; (3) a holder or backer of a restaurant permit issued under section  
228 30-22 may be a holder or backer of a cafe permit issued [pursuant to]  
229 under subsection (f) of section 30-22a; (4) a backer of a restaurant permit  
230 issued under section 30-22 may be a backer of a coliseum permit issued  
231 under section 30-33a when such restaurant is within a coliseum; (5) a  
232 backer of a hotel permit issued under section 30-21 may be a backer of a  
233 coliseum permit issued under section 30-33a; (6) a backer of a grocery  
234 store beer permit issued under subsection (b) of section 30-20 may be  
235 (A) a backer of a package store permit issued under subsection (a) of  
236 section 30-20 if such was the case on or before May 1, 1996, and (B) a  
237 backer of a restaurant permit issued under section 30-22, provided the  
238 restaurant permit premises do not abut or share the same space as the  
239 grocery store beer permit premises; (7) a backer of a cafe permit issued  
240 [pursuant to] under subsection (m) of section 30-22a, may be a backer of



241 a nonprofit theater permit issued under section 30-35a; (8) a backer of a  
242 nonprofit theater permit issued under section 30-35a may be a holder or  
243 backer of a hotel permit issued under section 30-21 or a coliseum permit  
244 issued under section 30-33a; (9) a backer of a concession permit issued  
245 under section 30-33 may be a backer of a coliseum permit issued under  
246 section 30-33a; (10) a holder of an out-of-state winery shipper's permit  
247 for wine issued under section 30-18a may be a holder of an in-state  
248 transporter's permit [or an out-of-state entity wine festival permit issued  
249 pursuant to section 30-37m, or of both such permits] issued under  
250 section 30-19f; (11) a holder of an out-of-state shipper's permit for  
251 alcoholic liquor [other than beer] issued under section 30-18 or an out-  
252 of-state winery shipper's permit for wine issued under section 30-18a  
253 may be a holder of an in-state transporter's permit issued under section  
254 30-19f; (12) a holder of a manufacturer permit for a farm winery [or the  
255 holder of] issued under subsection (c) of section 30-16 or a manufacturer  
256 permit for wine, cider and mead issued under subsection (d) of section  
257 30-16 may be a holder of an in-state transporter's permit [, a wine festival  
258 permit issued pursuant to section 30-37l] issued under section 30-19f, a  
259 farmers' market sales permit issued [pursuant to] under subsection (a)  
260 of section 30-37o, an off-site farm winery sales and tasting permit issued  
261 [pursuant to] under section 30-16a or [of] any combination of such  
262 permits; (13) a holder of a manufacturer permit for beer issued under  
263 subsection (b) of section 30-16, as amended by this act, may be a holder  
264 of a farmers' market sales permit issued [pursuant to] under subsection  
265 (a) of section 30-37o; (14) the holder of a manufacturer permit for spirits,  
266 [a manufacturer permit for beer, a manufacturer permit for] beer, a farm  
267 winery or [a manufacturer permit for] wine, cider and mead, issued  
268 under subsection (a), (b), (c) or (d), respectively, of section 30-16, as  
269 amended by this act, may be a holder of a Connecticut craft cafe permit  
270 issued under section 30-22d, as amended by this act, a restaurant permit  
271 or a restaurant permit for wine and beer [; and] issued under section 30-  
272 22; (15) the holder of a restaurant permit issued under section 30-22 or a  
273 cafe permit issued under section 30-22a may be the holder of a seasonal  
274 outdoor open-air permit issued [pursuant to] under section 30-22e; and  
275 (16) the holder of a festival permit issued under section 1 of this act may

276 be the holder or backer of one or more of such other classes. Any person  
277 may be a permittee of more than one permit. No holder of a  
278 manufacturer permit for a brew pub and no spouse or child of such  
279 holder may be a holder or backer of more than three restaurant permits  
280 issued under section 30-22 or cafe permits issued under section 30-22a.

281 Sec. 5. Subsection (j) of section 30-91 of the 2022 supplement to the  
282 general statutes is repealed and the following is substituted in lieu  
283 thereof (*Effective from passage*):

284 (j) The retail sale of [wine] alcoholic liquor, and [the tasting of free  
285 samples of wine by] the provision of samples or tastings of alcoholic  
286 liquor, to festival visitors [and prospective retail customers of a  
287 permittee holding a wine festival permit or an out-of-state entity wine  
288 festival permit issued pursuant to section 30-37l or 30-37m] at a festival  
289 organized and sponsored under a festival permit issued under section 1  
290 of this act shall be unlawful on Sunday before [eleven] ten o'clock a.m.  
291 and after [eight] six o'clock p.m., and on any other day before [ten] eight  
292 o'clock a.m. and after [eight] ten o'clock p.m. Any town may, by vote of  
293 a town meeting or by ordinance, reduce the number of hours during  
294 which the retail sale, [of wine and the tasting of free samples of wine  
295 pursuant to] tasting or sampling of alcoholic liquor under this  
296 subsection shall be permissible.

297 Sec. 6. Subsection (b) of section 30-16 of the 2022 supplement to the  
298 general statutes is repealed and the following is substituted in lieu  
299 thereof (*Effective from passage*):

300 (b) A manufacturer permit for beer shall allow the manufacture of  
301 beer and the storage, bottling and wholesale distribution and sale of  
302 beer manufactured or bottled on the premises of the permittee to  
303 permittees in this state and without the state as may be permitted by  
304 law, but no such permit shall be granted unless the place or the plan of  
305 the place of manufacture has received the approval of the Department  
306 of Consumer Protection. A holder of a manufacturer permit for beer  
307 who sells beer brewed on such premises at wholesale to retail permittees

308 within this state shall make such beer available to all holders of a  
309 package store permit issued pursuant to section 30-20 and to all holders  
310 of a grocery store beer permit held pursuant to said section in the  
311 geographical region in which the holder of the manufacturer permit for  
312 beer self distributes, subject to reasonable limitations, as determined by  
313 the Department of Consumer Protection. Such permit shall also allow  
314 (1) the retail sale of such beer, and beer brewed in collaboration with at  
315 least one other holder of such a permit, to be consumed on the premises  
316 with or without the sale of food, (2) the selling at retail from the premises  
317 of sealed bottles or other sealed containers of beer brewed on such  
318 premises, or in collaboration with at least one other holder of such a  
319 permit, for consumption off the premises, and (3) the sale of sealed  
320 bottles or other sealed containers of beer brewed on such premises to  
321 the holder of a wholesaler permit issued pursuant to section 30-17,  
322 provided the holder of such permit produces at least five thousand  
323 gallons of beer on the premises annually. Such selling at retail from the  
324 premises of sealed bottles or other sealed containers shall comply with  
325 the provisions of subsection (d) of section 30-91 and shall permit not  
326 more than nine gallons of beer to be sold to any person on any day on  
327 which such sale is authorized under the provisions of subsection (d) of  
328 section 30-91. The annual fee for a manufacturer permit for beer shall be  
329 one thousand four hundred dollars. For the purposes of this subsection  
330 and section 30-22d, as amended by this act, "collaboration" means an  
331 arrangement, other than contract brewing or an alternating  
332 proprietorship, under which the holder of a manufacturer permit for  
333 beer issued under this subsection works together with at least one other  
334 such permit holder to manufacture beer by, among other things, sharing  
335 the beer recipe or at least forty-nine per cent of the ingredients or labor  
336 necessary to manufacture such beer.

337 Sec. 7. Section 30-22d of the general statutes is repealed and the  
338 following is substituted in lieu thereof (*Effective from passage*):

339 (a) For the purposes of this section:

340 (1) "Collaboration" has the same meaning as provided in subsection

341 (b) of section 30-16, as amended by this act; and

342 (2) "Craft cafe" means a space that (A) is located in a suitable and  
343 permanent building, (B) is kept, maintained, used, advertised and held  
344 out to the public to be a place where alcoholic liquor and food are served  
345 at retail for consumption on the premises, (C) at all times has employed  
346 therein an adequate number of employees, (D) does not include public  
347 sleeping accommodations, and (E) need not necessarily have a dining  
348 room or kitchen.

349 [(a)] (b) A Connecticut craft cafe permit shall allow the retail sale of  
350 alcoholic liquor manufactured in this state to be consumed on the  
351 premises of such craft cafe. If the holder of a Connecticut craft cafe  
352 permit also holds a manufacturer permit for beer issued under  
353 subsection (b) of section 30-16, as amended by this act, such holder may  
354 sell, at retail for consumption on the permit premises, any brand of beer  
355 that such holder manufactured in collaboration with at least one other  
356 holder of such a manufacturer permit, provided not more than one such  
357 brand of beer may be sold from the permit premises at any time. The  
358 holder of [such] a Connecticut craft cafe permit shall keep food available  
359 during a majority of the hours such permit premises are open [pursuant  
360 to] under this subsection for sale to, and consumption by, customers on  
361 [the] such permit premises. The availability of food from outside  
362 vendors located on or near the permit premises shall be deemed  
363 compliance with such requirement. The permit premises shall at all  
364 times comply with all regulations of the local department of health.  
365 Nothing [herein] in this section shall be construed to require that any  
366 food be sold or purchased with any alcoholic liquor, [nor shall any] and  
367 no rule, regulation or standard shall be promulgated or enforced  
368 [requiring] to require that [the sale] sales of food be substantial or that  
369 the business's receipts [of the business other than from the sale] from  
370 sales of alcoholic liquor equal any set percentage of total receipts from  
371 all sales made [therein] on the permit premises. A Connecticut craft cafe  
372 permit shall allow, with [the prior approval of] the Department of  
373 Consumer [Protection] Protection's prior approval and if allowed under  
374 fire, zoning and health regulations, alcoholic liquor to be served at tables

375 in outside areas that are screened or not screened from public view,  
376 [where permitted by fire, zoning and health regulations. If not required  
377 by] If fire, zoning or health regulations [,] do not require that such areas  
378 be enclosed by a fence or wall, [enclosing such outside areas shall not be  
379 required by the Department of Consumer Protection. No] the  
380 department shall not require that such areas be so enclosed. No such  
381 fence or wall [used to enclose such outside areas] shall be less than thirty  
382 inches high. [Such] A Connecticut craft cafe permit shall also authorize  
383 the sale, at retail from the permit premises [of] for consumption off the  
384 permit premises, of sealed containers supplied by the permittee of  
385 draught beer, [for consumption off the premises] including, but not  
386 limited to, beer manufactured in collaboration with at least one other  
387 holder of a manufacturer permit for beer issued under subsection (b) of  
388 section 30-16, as amended by this act, provided not more than one  
389 collaboratively manufactured brand of beer may be sold from the permit  
390 premises at any time. Such sales shall be conducted only during the  
391 hours that the holder of a manufacturer permit for beer issued under  
392 subsection (b) of section 30-16, as amended by this act, is permitted to  
393 sell alcoholic liquor under the provisions of subsection (d) of section 30-  
394 91. Not more than nine gallons of such beer shall be sold to any person  
395 on any day on which the sale of alcoholic liquor is authorized under the  
396 provisions of subsection (a) of section 30-91. The annual fee for [a] each  
397 Connecticut craft cafe permit shall be three hundred dollars.

398 [(b) As used in subsection (a) of this section, "craft cafe" means space  
399 in a suitable and permanent building, kept, used, maintained,  
400 advertised and held out to the public to be a place where alcoholic liquor  
401 and food is served for sale at retail for consumption on the premises but  
402 that does not necessarily serve hot meals, as specified in subsection (a)  
403 of this section, but shall have employed therein at all times an adequate  
404 number of employees. "Cafe" does not include sleeping  
405 accommodations for the public and need not necessarily have a kitchen  
406 or dining room.]

407 (c) The holder of a Connecticut craft cafe permit may purchase, for  
408 resale on such permit holder's premises, alcoholic liquor [for resale on

409 such permit holder's premises] from the holder of a [: (1) Manufacturer  
410 permit for spirits issued pursuant to] manufacturer permit for: (1)  
411 Spirits issued under subsection (a) of section 30-16, (2) [manufacturer  
412 permit for beer issued pursuant to] beer issued under subsection (b) of  
413 section 30-16, as amended by this act, (3) [manufacturer permit for] a  
414 farm winery issued [pursuant to] under subsection (c) of section 30-16,  
415 or (4) [manufacturer permit for] wine, cider and mead issued [pursuant  
416 to] under subsection (d) of section 30-16. The holder of a Connecticut  
417 craft cafe permit shall not purchase the same type of alcoholic liquor  
418 such permit holder manufactures from any holder of a manufacturer  
419 permit specified in subdivision (1), (2) or (3) of this subsection, except  
420 any holder of a Connecticut craft cafe permit that also holds the  
421 manufacturer permit specified in subdivision (2) of this subsection may  
422 purchase from another holder of such a manufacturer permit beer that  
423 the Connecticut craft cafe permit holder manufactured in collaboration  
424 with another holder of such a manufacturer permit. The sale of such  
425 alcoholic liquor shall not [be] comprise more than twenty per cent of the  
426 Connecticut craft cafe permit holder's gross annual sales of all alcoholic  
427 liquor sold for [on-premise] on-premises consumption.

428 Sec. 8. Section 30-76a of the general statutes is repealed and the  
429 following is substituted in lieu thereof (*Effective from passage*):

430 A wholesaler permittee shall not sell alcoholic liquor to any persons  
431 holding a temporary permit for outings, picnics or special gatherings  
432 issued under section 30-35, or a charitable organization permit,  
433 including a nonprofit public television corporation permit issued under  
434 section 30-37d but [not including] excluding a nonprofit golf  
435 tournament permit issued under section 30-37g. Holders of [said] such  
436 permits shall purchase alcoholic liquor only from permittees holding  
437 package store permits issued under subsection (a) of section 30-20. The  
438 provisions of this section shall not apply to the sale of beer in kegs.

439 Sec. 9. Subsection (a) of section 7-255 of the 2022 supplement to the  
440 general statutes is repealed and the following is substituted in lieu  
441 thereof (*Effective October 1, 2022, and applicable to assessment years*

442 *commencing on or after October 1, 2022*):

443       (a) The water pollution control authority may establish and revise fair  
444 and reasonable charges for connection with and for the use of a  
445 sewerage system. The owner of property against which any such  
446 connection or use charge is levied shall be liable for the payment thereof.  
447 Municipally-owned and other tax-exempt property which uses the  
448 sewerage system shall be subject to such charges under the same  
449 conditions as are the owners of other property, but nothing herein shall  
450 be deemed to authorize the levying of any property tax by any  
451 municipality against any property exempt by the general statutes from  
452 property taxation. No charge for connection with or for the use of a  
453 sewerage system shall be established or revised until after a public  
454 hearing before the water pollution control authority at which the owner  
455 of property against which the charges are to be levied shall have an  
456 opportunity to be heard concerning the proposed charges. Such hearing  
457 may be conducted in person or by means of electronic equipment.  
458 Notice of the time, place and purpose of such hearing shall be published  
459 at least ten days before the date thereof in a newspaper having a general  
460 circulation in the municipality and on the Internet web site of the  
461 municipality. A copy of the proposed charges shall be on file in the office  
462 of the clerk of the municipality and available for inspection by the public  
463 for at least ten days before the date of such hearing. When the water  
464 pollution control authority has established or revised such charges, it  
465 shall file a copy thereof in the office of the clerk of the municipality and,  
466 not later than five days after such filing, shall cause the same to be  
467 published in a newspaper having a general circulation in the  
468 municipality and on the Internet web site of the municipality. Such  
469 publication shall state the date on which such charges were filed and the  
470 time and manner of paying such charges and shall state that any appeals  
471 from such charges must be taken within twenty-one days after such  
472 filing. In establishing or revising such charges the water pollution  
473 control authority may classify the property connected or to be connected  
474 with the sewer system and the users of such system, including  
475 categories of industrial users, and: [may] (1) May give consideration to

476 any factors relating to the kind, quality or extent of use of any such  
 477 property or classification of property or users including, but not limited  
 478 to, [(1)] (A) the volume of water discharged to the sewerage system, [(2)]  
 479 (B) the type or size of building connected with the sewerage system, [(3)]  
 480 (C) the number of plumbing fixtures connected with the sewerage  
 481 system, [(4)] (D) the number of persons customarily using the property  
 482 served by the sewerage system, [(5)] (E) in the case of commercial or  
 483 industrial property, the average number of employees and guests using  
 484 the property, and [(6)] (F) the quality and character of the material  
 485 discharged into the sewerage system. The water pollution control  
 486 authority may establish minimum charges for connection with and for  
 487 the use of a sewerage system; and (2) for assessment years beginning on  
 488 or after October 1, 2022, shall not consider the volume of water  
 489 consumed by the holders of manufacturer permits for beer issued under  
 490 subsection (b) of section 30-16, as amended by this act, in establishing or  
 491 revising charges to such holders for use of a sewerage system. Any  
 492 person aggrieved by any charge for connection with or for the use of a  
 493 sewerage system may appeal to the superior court for the judicial  
 494 district wherein the municipality is located and shall bring any such  
 495 appeal to a return day of said court not less than twelve or more than  
 496 thirty days after service thereof. The judgment of the court shall be final.

497 Sec. 10. Sections 30-37l to 30-37n, inclusive, of the general statutes are  
 498 repealed. (*Effective from passage*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	30-39(b) and (c)
Sec. 3	<i>from passage</i>	30-43a
Sec. 4	<i>from passage</i>	30-48(a)
Sec. 5	<i>from passage</i>	30-91(j)
Sec. 6	<i>from passage</i>	30-16(b)
Sec. 7	<i>from passage</i>	30-22d
Sec. 8	<i>from passage</i>	30-76a



Sec. 9	<i>October 1, 2022, and applicable to assessment years commencing on or after October 1, 2022</i>	7-255(a)
Sec. 10	<i>from passage</i>	Repealer section

*The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.*

## **OFA Fiscal Note**

### **State Impact:**

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Resources of the General Fund	GF - Potential Revenue Gain	Less than 5,000	Less than 5,000
Department of Revenue Services	Various - Revenue Gain	Potential	Potential

Note: GF=General Fund; Various=Various

**Municipal Impact:** None

### **Explanation**

The bill makes various changes to the Liquor Control Act resulting in a potential revenue gain to the state described below.

**Sections 1-5 and 10** eliminate the wine festival permit and establish a festival permit for all alcoholic liquor resulting in a potential revenue gain of less than \$5,000 to the state to the extent additional permits are applied for. It's anticipated this permit will generate up to 20 applications<sup>1</sup>.

**Sections 6 - 8** result in a potential revenue gain to the state's sales and alcoholic beverages taxes by making the following modifications pertaining to sales of alcohol:

- Allowing beer manufacturers and certain craft café permittees to sell beer produced in collaboration with another brewery.

Any impact would be only to the extent that there is an increase in alcohol sales rather than a shift from currently allowed transactions for

<sup>1</sup> The fee for a wine festival permit is \$75.

alcohol.

**Section 9** prohibits water pollution control authorities (WPCAs) from considering the volume of water consumed by beer manufacturers when setting sewerage fees. It is anticipated that any revenue loss a WPCA realizes as a result of this provision would be offset by increased sewer use fees and assessments on all users.

House "A" removes the provision that allows certain temporary or charitable organization permittees to purchase alcohol from manufacturer permittees reducing the potential revenue gain.

House "A" also makes various technical changes resulting in no fiscal impact to the state.

### ***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and the number of permits applied for.

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**OLR Bill Analysis****sHB 5331 (as amended by House "A")\******AN ACT CONCERNING THE LIQUOR CONTROL ACT AND RELATED STATUTES.*****SUMMARY**

This bill makes various changes to the Liquor Control Act. Specifically, it does the following:

1. eliminates the current wine festival permit and establishes a new festival permit for all manufacturers of alcoholic liquor (e.g., spirits, wine, and beer) (§§ 1-5 & 10);
2. allows beer manufacturers and certain Connecticut craft cafes to sell beer brewed in collaboration with another beer manufacturer (e.g., sharing a recipe or providing at least 49% of the ingredients or labor) (§§ 6 & 7); and
3. requires water pollution control authorities (WPCAs) to disregard the volume of water that beer manufacturer permittees consumed when establishing or revising sewer charges (§ 9).

The bill also makes various technical and conforming changes.

\*House Amendment "A" (1) eliminates the provisions in the underlying bill allowing (a) foreign manufacturers to participate under the festival permit and (b) certain temporary or charitable organizations to purchase alcohol from manufacturer permittees; (2) prohibits manufacturers who are also an out-of-state shipper's permittee for beer from, among other things, selling and directly shipping beer to festival visitors; and (3) makes various minor and technical changes.

EFFECTIVE DATE: Upon passage, except the water pollution control

provision is effective October 1, 2022, and applicable to assessment years beginning on or after that date.

### **§§ 1-5 & 10 — FESTIVAL PERMIT**

The bill replaces the existing wine festival permit with a new festival permit for all alcoholic liquor manufacturers. Under the bill, the festival permit allows a festival sponsor to organize and sponsor a festival in Connecticut by inviting eligible manufacturers to participate for up to four consecutive days. But the bill allows any municipality to prohibit, by ordinance or zoning regulation, festivals in the municipality. The fee for a festival permit is \$75, which is the same fee under current law for wine festival permits.

Under the bill, a “festival sponsor” is an entity operating on a nonprofit basis in this state, including (1) an association, or its subsidiary, that promotes manufacturing and selling alcoholic liquor in Connecticut; (2) a civic organization operating in this state; and (3) a Connecticut municipality. “Eligible manufacturers” are the holders of manufacturer permits for spirits; beer; a farm winery; or wine, cider, and mead.

### ***Fire and Zoning***

The bill prohibits the Department of Consumer Protection (DCP) commissioner from issuing a permit unless the festival sponsor has the approvals required under local fire and zoning regulations.

### ***Disclosures***

The bill requires the festival sponsor to disclose to each person who purchases admission, at the time of purchase, all restrictions and limitations for admission, including the maximum number of alcoholic drinks to which the person is entitled.

### ***Sales and Shipping***

The bill allows any eligible manufacturer to participate in a festival organized and sponsored by a festival sponsor that invites them to participate. During the festival, the bill allows manufacturers to do the

following for the alcohol they manufactured.

They may offer free or paid samples or tastings of alcoholic liquor for consumption on the festival premises, subject to certain limitations (e.g., up to two ounces of spirits per patron per day). Also, unless the participating eligible manufacturer is an out-of-state shipper's permittee for beer, the manufacturer may:

1. sell and directly ship alcoholic liquor to festival visitors that the manufacturer sells to them at the festival if allowed by Connecticut law;
2. sell, at retail, bottles and other sealed containers of alcoholic liquor for consumption off the festival premises, subject to certain limitations (e.g., three liters of spirits per day and nine gallons of beer per day); and
3. sell, at retail, alcoholic liquor by the glass or receptacle for consumption on the festival premises, so long as each glass or receptacle is embossed or permanently labeled with the festival's name and date.

The bill prohibits eligible manufacturers from giving, offering, or selling to any person or entity alcoholic liquor that the manufacturer did not manufacture.

### ***Municipal Options***

In addition to being able to prohibit these festivals, the bill allows municipalities, by ordinance or zoning regulation, to require that festival sponsors ensure the following:

1. restrooms, or enclosed portable toilets, are available either on or near the festival premises and
2. food is available to festival visitors for consumption on the festival premises during all operating hours; but no ordinance or zoning regulation may require a food purchase with an alcoholic

beverage.

The bill also allows municipalities, by vote of a town meeting or by ordinance, to reduce the number of hours when retail sales, tastings, or samples may occur (see *Hours*, below).

### ***Placarding and Remonstrance***

By law, alcoholic liquor permit applicants must generally give notice of a new permit in the newspaper and place placards visible from the road that include certain information, such as the business's name and location. Additionally, any 10 individuals who are at least age 18 may file a remonstrance with DCP about an applicant's suitability or proposed location, and DCP must then hold a hearing. The bill exempts festival sponsors and festival permits from the requirements to provide notice and affix and maintain a placard and from remonstrances.

### ***Holding Two Permits***

The bill also allows a festival permittee to be a holder or backer of one or more other classes of permits. By law, unless an exception is made, permittees of one class are not allowed to be a permittee of another class (CGS § 30-48(a)).

### ***Hours***

The bill sets the hours that a festival permittee may sell or provide samples or tastings as follows: between 8:00 a.m. and 10:00 p.m. on Monday through Saturday and between 10:00 a.m. and 6:00 p.m. on Sunday. (These hours generally mirror the hours when a package store may sell.)

### **§§ 6 & 7 — COLLABORATIVE BEER**

The bill allows a manufacturer permittee for beer, or a Connecticut craft cafe permittee who is also a manufacturer for beer, to sell at retail beer brewed in collaboration with another beer manufacturer for on- or off-premises consumption. Craft cafe permittees may do so only if they sell one brand of the brewed beer from their premises at a time.

Under the bill, “collaboration” is an arrangement, other than contract brewing or an alternating proprietorship, where a beer manufacturer works with at least one other beer manufacturer by, among other things, sharing the beer recipe or at least 49% of the ingredients or labor needed to manufacture the beer.

Current law generally prohibits Connecticut craft cafe permittees from purchasing the same type of alcoholic liquor they manufacture. The bill allows these permittees that also hold a manufacturer beer permit to purchase the beer they manufacture in collaboration with another beer manufacturer permittee from that permittee. But, as under existing law, the beer cannot be more than 20% of the craft cafe permittee’s gross annual sales for on-premises consumption.

## **§ 9 — WPCA CHARGES**

By law, a WPCA may establish and revise fair and reasonable charges for connecting with and using a sewerage system. When setting these charges for assessment years beginning on or after October 1, 2022, the bill prohibits WPCAs from considering the volume of water consumed by holders of manufacturer permits for beer.

By law and unchanged by the bill, WPCAs, when setting these charges, may consider other factors related to the kind, quality, and extent of use of properties (e.g., building size, number of plumbing fixtures and people using the property, and quality and character of discharge material). A WPCA may also have minimum charges to connect with and use a sewerage system.

## **COMMITTEE ACTION**

General Law Committee

Joint Favorable Substitute

Yea 14    Nay 3    (03/15/2022)